



STRICTLY PRIVATE & CONFIDENTIAL
MINUTES OF GENERAL BOARD MEETING
HELD 28 AUGUST 2025

BOARD SECRETARY
OFREG



Utility Regulation and Competition Office

Board Meeting Minutes - General Meeting #08 of 2025

Agenda

Meeting Date:	28 August 2025
Time:	0930hrs – 1630hrs
Minute Taker:	Joanne Conolly, Board Secretary
Venue:	OfReg Conference Room
Attendees:	<p>Voting Board Members: Samuel Jackson, Chair Natasha Bodden, Deputy Chair Osbert Francis, Voting Member Frank Balderamos, Voting Member Mike Gibbs, Voting Member Wrendon Timothy, Voting Member</p> <p>Board Membership Pending Reappointment: Gavin Baxendale (Non-Voting)</p> <p>OfReg Staff: Sonji Myles, ICEO/EDI Alison Maxwell, AGC</p> <p><u>For item #2 only</u> Richard Womersley, Manager Spectrum Jose Hernandez, Manager IP & TV Services & Acting Director of Operations Keith Dixon, Acting Manager Spectrum Ian Callow, Manager Fixed & Mobile Services Daniel Ebanks, Manager Infrastructure</p> <p>McCleary Frederick, EDE for item #3 and item #7.1</p> <p><u>For item #3 only</u> Dwayne Tucker, HEMS Derrick Westerborg, Regulatory Analyst</p> <p>By Invitation: <u>FLOW</u> Bruno Delhaise Peter Qinland Gavin Dixon Carmine Sorrentino Axael Arteaga Prashant Singh</p> <p><u>Island Energy Ltd.</u> Matt Bishop Simon Watson Andrew Small Jay Bergstrom (via Teams) Jan Feik Jonathan Tibbetts</p>

Agenda Details

AGENDA OVERVIEW		
1. General		1.1 Welcome 1.2 Declarations of Interests 1.3 Key BoD Decisions & Action Items from last meeting 1.4 RFI's
2. 1000hrs		VISIT BY FLOW
3. 1100hrs		VISIT BY IEL
4. Minutes of Previous Meetings		4.1 BoD General Meeting #06/2025_26Jun25 4.2 BoD General Meeting #07/2025_31Jul25
5. Legal Advice	FOI Act (2021 Revision) s17(1)(a)	5.1 Legal Dashboard 5.2 Draft Merger Assessment Guidelines & Revised SMP Guidelines 5.3 Anderson v OfReg 5.4 C3 Judgment 5.5 Tribunal Decision
6. ICEO Report		
7. Sector Matters	FOI Act (2021 Revision) s21(1)(b)	7.1 Energy 7.1.1 Dashboard 7.1.2 CUC Draft Determination 7.2 Fuels 7.2.1 Sol Tank 9 7.3 ICT 7.3.1 Water Authority Experimental ICT Licence 7.3.2 Satellite Licensing Final Determination
8. AOB		8.1 June Finance Report
9. Adjournment & Date of Next Meeting		4.30pm scheduled finish 11 September 2025 Scheduled General Board Meeting #09/2025

Meeting Minutes

1	General		1
1.1	Welcome	The meeting, being quorate, was called to Order at 09:40 hrs. The agenda was approved as amended.	2
1.2	Declarations of Interest	No declarations were made.	3
1.3	Key Decisions & Action Items		4
1.4	RFI's	All agreed.	5
2	Visit by FLOW		6
		Main points of discussion: <ul style="list-style-type: none"> • Maya 1 – Subsea cable agreement to be terminated October 2025. Substantial investment to make sure Cayman Islands' connectivity is resilient. New construction will be completed with over 50% of ownership retained. Capacity will be more than double for the island. Branch to Mexico will be removed and the cable will look to the US in the North and Honduras in the South which will help reduce distance and provide a faster connectivity. Work is currently being done on CJFS to accommodate the Marriott and their improvements. Should be no overlap on this work. Discussion around building new landing station. • Performance of Mobile Network: Call Failures & 	7

		<p>Connectivity Issues FLOW acknowledged complaints on the calling side of the network which is something they are investigating and monitoring. Currently covering 80% of GCM with 5G although some coverage not ideal in specific areas. Action plan has been resented to the office with timeline end September. FLOW reinforced the fact they are dealing with mobile phones not hardwired handsets, meaning they cannot control the ecosystem of the handset over and above environmental impact. Issues have been fixed as they come in, with continuous testing to try and reproduce other issues, to arrive at fixes. Certain spots have been identified which would be inefficient to send coverage to those places, which will all be identified by end of the month. There are also some third band limitations and spectrum limitations. FLOW were invited to submit an application for spectrum which would be considered by the Office. Call failures were being investigated by replicating calls and success rates. Some complaints were found to be the B party had a restriction on the international side, with the partners who connect that call and more than 90% of those issues have been resolved. Where calls randomly fail from A to B it is more to do with environment so more testing is required to isolate and avoid those failures. FLOW acknowledged they have been majorly overhauling the 5G network and Apple has been a challenge but should be resolved this month. Some issues have been from leapfrogging technology from 3G to 5G. Discussion around localised issues and wider general system issues with calls dropping, one party unable to hear the other, etc. BoD were aware a lot of social media comments in respect to calling issues with FLOW. BoD requested written assurances from FLOW that everything is being done to determine what the issue(s) with their mobile service is/are and that they will rectify the same, and they should update the consumers in the CI so they are aware of the current calling issues. FLOW gave an undertaking to have a written communication to the Office by 05 September 2025.</p>	
3	Visit by IEL		8
		<p>Main points of discussion:</p> <ul style="list-style-type: none"> The attached (amended) presentation was shown. IEL presented a review of their acquisition of IEL with 3 strategic goals: (1) safe and reliable electricity supply; (2) to reduce carbon emissions; and (3) and reduce consumer cost. These closely aligned with govt policy (NEP). Concerns about proposed licensing amendments and RCAM. Still not settled despite having extensive conversations as far back as 2022 when CBP&L were not compliant. OfReg asked IEL to draft requirements and a few weeks later IEL proposed 5.6% increase to base rates in line with RCAM, increased to 8.3% after there were heavily inflated insurance costs received in December of 2024. OfReg approved the 5.6% increase to the base rate which was the first in almost 2 decades but then no further progress was made. \$10.4M US has been invested in IEL since the purchase as there was failing infrastructure, dangerous vehicles and new transmitters and feeders were required to comply with H&S; also equipment and safety equipment was purchased. It was a very ageing system when purchased. Even billing was not automated and IEL are working towards a smart meter 	9

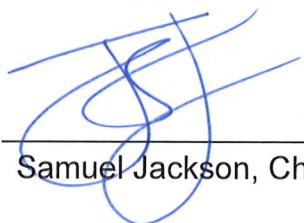
		<p>programme where customers will make payments on an app and track usage. Everything that has gone into CB is going into LC to level the playing field and service. Workers were also given a pay rise which was their first in a long time.</p> <ul style="list-style-type: none"> • Also looking at other jurisdictions and what they are doing in terms of solar and renewables: Bahamas, Saba, Hawaii, etc. • Discussion on peak and minimum capacity. G2 is the largest unit IEL has. G3 needs to be rebuilt. Planning to take it off-line October. If IEL do that and G2 goes down, there will be rolling brownouts. If a second failure were to occur, the peak would fail to be reached. Summary of outages shows for the last months only 4 small outages happened for a short period of time on CB due to generation issues. Base rates must increase for IEL to show profit. Discussion around RCAM and calculations. Cost to consumer on IEL's proposed increase would be around a \$3-5 increase on a monthly bill. • Renewables. IEL wish to reduce greenhouse gas emissions and want a 50/50 split between fuel and renewables. Discussion around the lifespan of renewables and diesel engines. Acknowledgement that BESS is only a 4-6 hour battery life, but there are folks in the storage space working on longer-term storage. IEL confirmed they already had the land for solar. IEL would like to see licence changes and RCAM implemented by 1 October with a 2.2% increase for consumers, come January 2026. This will mean a \$6-8 increase for consumers on their monthly bills. • Looking through documented proposal sent by the Office to IEL, pointed out the document mentions a 15% import duty on non-fuel goods which they have never paid before on any of our non-fuel imports. ICEO to clarify for IEL. IEL also queried the reporting requirements which mirrored CUC's. They pointed out they are a smaller operation and would like to further discuss those requirements so they do not incur unnecessary charges in providing quite so much detail to the Office. • Discussion around the safety of solar panels. IEL confirmed they have put together robust implementation with engineers reports and risk mitigation. IEL also wished a discussion around insurance for panels. • OfReg would like to see IEL's Analyst have discussions around various items presented today, with OfReg's Economist – maybe in a Special Energy Committee Meeting. That way an informed decision can be made around the matters raised as the BoD would need more information in order to make an informed decision. IEL are open to amendments to the current licence rather than a new one, as said licence expires 2028. It was confirmed RCAM was approved in principle for the mechanism itself and return on rate base at 10%, with IEL working towards the implementation of RCAM by 1 January 2026. IEL to submit a copy of the PP presentation shown to the Board to the Energy Team. • Discussion around new projects coming on line: school and marina with one large home coming on line taking 1MW and 5 condos end 225, with 5 more at the start of 2026. Working with the DOE for the best place to put the solar panels and looking at modern technology, with some panels now 30% smaller. It was noted there are a number of electric cars now
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		on CB.	
4	Minutes of Previous Meetings		10
4.1	BoD Meeting #06/2025	Agreed as amended.	11
4.2	BoD Meeting #07/2025	Agreed as amended.	12
5	Legal Advice	PROTECTED BY LEGAL PRIVILEGE	13
5.1	Dashboard	Letter from Appleby regarding CUC draft determination: a draft response to their letter has been sent. Engage Tom Hickman from Blackstones.	14
5.2	Draft Merger Assessment Guidelines & Revised SMP Guidelines	Presented as an FYI for BoD. Currently have a merger application from Fuels Sector. BoD were in agreement to use the advisory guidelines.	15
5.3	Anderson v OfReg	Solicitor General's Office representing OfReg in the appeal.	16
5.4	C3 Judgment	ARC/ICEO to file appeal by 10 September deadline. ICT then spoke to budget and costs of legal action. Writing to request increase to budget in respect of legal fees spent by OfReg on behalf of the Government.	17
5.5	Tribunal Decision - Boucher	Copy of decision in Board papers. Summary of the decision in dashboard. ARC/ICEO Lodge notice of appeal by 09Sept to preserve our legal position and make further decision. Discussion about breach of contract vis-à-vis LB accepting payment on the premise that he would not take the matter to the LT and then subsequently filed a complaint. OfReg has evidence of negligence or gross misconduct. Defamation also from CUC in public. Is there possibility of taking further action. ICEO to get Counsel to give advice on that.	18
6	ICEO Report		19
		In BoD folder. ICEO ran through main points. <ul style="list-style-type: none"> Logos – discussion around what it should look like. HR & Ops new member of staff in place Nadine McBean. Lynn now confirmed as Head of Finance Revenue generating – looking at CUC paying more 	20
7	Sector Matters		21
7.1	Energy		22
7.1.1	Dashboard	Ran through dashboard highlights: <ul style="list-style-type: none"> EDE to provide graph to BoD for uptake to see how much CORE programme had grown since BoD changed the rate. BoD changed the rate. EDE to provide for next meeting. Met with Bodden Town Solar and EDE will have update next meeting. Energy Sector are meeting with CREA tomorrow. EDE to provide update at next meeting. Query from BoD as to CUC's meter accuracy. Fluctuations in bills were mentioned. EDE to request clarity through an RFI. EDE mentioned CUC have requested an extension to respond to an RFI on z-factor and have not responded to an RFI on temp gen. It was noted under licence condition 6.8 EDE had CUC as compliant. BoD wished a note to be made that they are compliant only for the current year as they have not been compliant previously. EDE to make this change. BoD wished this Energy Template to be distributed to other sectors for use when submitting to Board. EDE to action. 	23

Redacted under FOI Act (2021 Revision) s17(1)(a)

Redacted under FOI Act (2021 Revision) s21(1)

		<ul style="list-style-type: none"> • EDE to obtain some of Hawaii's rules with OfReg in light of their not having licenses for energy providers, but franchises which are managed by a set of Commission Rules. This will further be discussed at the next Energy Committee Meeting. 	
7.2	Fuels		24
7.2.1	SOL Tank 9	Board Report FYI only.	25
7.3	ICT		26
7.3.1	Water Authority Experimental ICT Licence	WAC approached ICT for permission to roll out digital water meters, establish a wireless network and test them for a period of 12 months. Any unexplained increase over the average, resulting from the digital test must be justified. The Office is only licensing the transmission, and WAC must provide OfReg with the houses taking part. Benefit noted was that it may save someone a high bill when a water leak occurs in their absence. BoD wanted to make sure reporting was regular and spectrum being used was noted at 900MHZ. WAC will be paying for the licenses. The issuance of the experimental licence to WAC was agreed.	27
7.3.2	Satellite Licensing Final Determination	Final part of satellite licensing discussion which went out to public consultation last year. Draft determination was issued earlier this year and a licensing category has been created for anyone who wishes to apply. Hazard Management had written to OfReg stating this move is good for national resilience. Board Secretary to RR this Board Paper for decision, Monday 01 September 2025.	28
8	AOB		29
8.1	June Finance Report	Discussed among the BoD.	30
7	Adjournment	<ul style="list-style-type: none"> • Meeting was brought to a close at 16:22hrs. • Next General Board meeting date was changed to Thursday 25 September 2025 	31

Signed:  _____
 Samuel Jackson, Chairman

Signed:  _____
 Joanne Conolly, Secretary